Unofficial Copy 1996 Regular Session

K4 6lr1426

(PRE-FILED)

SB 17/95 - B&T

By: Senators Miller, Amoss, Boozer, Green, Hafer, and Hoffman

Requested: November 15, 1995

Introduced and read first time: January 10, 1996

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments

Read second time: February 22, 1996

CHAPTER ____

1 AN ACT concerning

27

2 Retirement and Pensions - Retirement Allowances - Separation from Employment

3 FOR the purpose of allowing certain State employee members of the Employees' 4 Retirement System or the Employees' Pension System to retire early with a service 5 retirement allowance during a certain period under certain circumstances; 6 prohibiting a member of one of the State retirement or pension systems who retires 7 under this Act from receiving an allowance that exceeds a certain amount; 8 authorizing the Board of Trustees for the State Retirement and Pension System to 9 adopt certain regulations; providing for the benefits on early retirement under this 10 Act; altering the conditions under which a member who retires under this Act may 11 become reemployed by certain employers; allowing certain employees who are 12 separated from employment under certain circumstances to be eligible for certain retirement benefits; excluding certain employees from qualifying forthe retirement 13 and other benefits under this Act; requiring the Secretary of Budgetand Fiscal 14 15 Planning to notify the Board of Trustees if a member revokes an application for 16 retirement under this Act; providing for a certain choice of death benefits to a 17 designated beneficiary if an employee dies under certain circumstances; limiting the 18 number of employees who retire under this Act from being rehired as temporary or 19 contractual employees; requiring the Departments of Budget and Fiscal Planning 20 and Fiscal Services to monitor the number of employees who retire under this Act 21 who are rehired as temporary or contractual employees; requiring the State to pay for a certain period the entire health insurance costs of certain employees who are 22 separated from employment under certain circumstances; providing forthe funding 23 of certain retirement and pension costs under this Act; requiring the Department of 24 25 Budget and Fiscal Planning to make a certain determination regardingthe 26 percentage of employees in departments or units in State government qualifying for

the incentive provided in this Act; allowing certain departments andunits of State

SENATE BILL 1

2	
1	government to delay the effective date of certain employees electingto retire under
2	this Act until a certain date; requiring the appointing authorities to notify the Board
3	of Trustees of certain information by a certain date; making the election to retire
4	under this Act irrevocable except under certain circumstances; providing that
5	unused sick leave may not be used to determine eligibility for the incentive provided
6	for in this Act or to determine the amount of the incentive provided for under this
7	Act; providing that the application shall be void if a member dies prior to the
8	effective date of retirement <u>under certain circumstances</u> ; requiring on or before a
9	certain date certain State officials, in consultation with certain appointing
10	authorities, to eliminate a certain percentage number of certain positions in the
11	State budget; prohibiting an appointing authority from filling certain positions until
12	certain dates; requiring that certain appropriations be reduced by certain amounts;
13	requiring that certain salary savings that result from this Act be transferred to
14	certain funds; allowing the State Retirement Agency to take a certain number of
15	additional days to process certain retirement applications without affecting an
16	applicant's right to a benefit; requiring the Department of Budget and Fiscal
17	Planning and the State Retirement Agency to submit before a certain date a certain
18	report to the General Assembly; and generally relating to the retirement of
19	separation from employment and retirement of certain members of the State
20	retirement and pension systems.
21	BY adding to
22	Article - State Personnel and Pensions
23	Section 20-207 and 21-304(d)(4)
24	Annotated Code of Maryland
25	(1994 Volume and 1995 Supplement)
26	DV repealing and reapporting with amendments
27	BY repealing and reenacting, with amendments, Article - State Personnel and Pensions
28	Section 21-304(d)(3)
29	Annotated Code of Maryland
30	(1994 Volume and 1995 Supplement)
30	(1994 Volume and 1995 Supplement)
31	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
	MARYLAND, That the Laws of Maryland read as follows:
	•
33	Article - State Personnel and Pensions
34	20-207.
35	A MEMBER OF A STATE SYSTEM MAY NOT RECEIVE A BASIC ALLOWANCE THAT
36	EXCEEDS THE MEMBER'S AVERAGE FINAL COMPENSATION.
37	21-304.
38	(d) (3) [If] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION,
	IF the accrued liability is increased by legislation enacted after July1, 1980, the additional
40	liability shall be funded over 30 years beginning on July 1 coincident with or next
41	following the effective date of the increase.

3	(4) IF THE ACCRUED LIABILITY IS INCREASED BY LEGISLATION THAT PROVIDES FOR EARLY RETIREMENT OF STATE EMPLOYEES, THE ADDITIONAL LIABILITY SHALL BE FUNDED OVER A PERIOD OF 5 YEARS BEGINNING ON JULY 1, 1997.
5	SECTION 2. AND BE IT FURTHER ENACTED, That:
	(1) A Except as provided under paragraphs (2) and (3) of this section, a member of the Employees' Retirement System or the Employees' Pension System may retire if the member:
9 10	(i) Submits a written application to the Board of Trusteesfrom July 2 1, 1996 through August 31, 1996, both inclusive;
11	(ii) Is an employee of the State on June 1, 1996;
12 13	(iii) Is a member of the respective system on April 1, 1996 January 1, 1996; and
14	(iv) On or before August 31, 1996: June 30, 1997:
15	1. Has at least 30 years of creditable service; or
16	1. 2. A. Has at least 25 years of creditable service; and
17	2. B. Is at least 50 years old;
20 21	(2) A member of the Employees' Retirement System or the Employees' Pension System who was an employee of the State on January 1, 1996 and is separated from employment as a result of the elimination of the employee's position in the State budget or by budget amendment after December 31, 1995 and before July 1, 1997, may retire if the member:
23	(i) Submits a written application to the Board of Trustees:
	1. From July 1, 1996 through August 31, 1996, both inclusive, if the member's position is eliminated in the State budget or by budget amendment before August 1, 1996; or
	2. Not later than 30 days after the member is separated from employment and before July 1, 1997, if the member's position is eliminated in the State budget or by budget amendment after July 31, 1996 and before July 1, 1997;
30	(ii) Is a member of the respective system on January 1, 1996; and
31	(iii) On or before June 30, 1997:
32	1. Has at least 30 years of creditable service; or
33	2. A. Has at least 20 years of creditable service; and
34	B. Is at least 45 years old;
35	(3) This section does not apply to members who are employees of:
36	(i) The Judicial Branch of government:

1 2	(ii) An institution of higher education and a public senior higher education institution, under Title 10 of the Education Article;
3	(iii) The Comptroller of the Treasury:
4	(iv) The Maryland Automobile Insurance Fund;
5	(v) The Maryland Stadium Authority; and
6	(vi) The Injured Workers Workers' Insurance Fund. Y:
7	(2) (4) Except as provided in paragraph (5) of this section and Section 8 of
	this Act, an employee who elects the early retirement incentive under this section of this Act shall retire on October 1, 1996;
10	(5) (i) An employee who has timely filed an application in accordance
11	with paragraph (1) or paragraph (2) of this section of this Act but whodoes not satisfy the
	eligibility requirements of paragraph (1) or paragraph (2) of this section of this Act by
	August 31, 1996, shall retire on the first day of the month following the month in which
14	the employee becomes eligible to retire under this Act.; and
15	(II) The emproyee who has timely times an approximent in accordance
	with paragraph (2) (i) 2 of this section of this Act and who does satisfy the eligibility requirements as of the effective date of retirement specified in the application shall retire
	on the first day of the month following the month in which the employeefiles the
	application.:
	<u> </u>
20	(3) (6) (i) Except as provided in subparagraph (ii) of this paragraph, an
21	application to retire under this section of this Act is irrevocable; and
22	(ii) The Secretary of Budget and Fiscal Planning may allowa member
	to revoke an application if that member has experienced extenuating circumstances since
	submitting the application, and the member submits a written request to the Secretary for
23	a revocation of the member's application; <u>and</u>
26	(iii) If a member revokes an application for retirement that is allowed
	under subparagraph (ii) of this paragraph, the Secretary of Budget and Fiscal Planning
	shall notify the Board of Trustees of the revocation not later than 2 weeks after the
	revocation;
30	
31	(4) (7) (i) Except as provided in subparagraph (ii) of this paragraph, a
	(4) (7) (i) Except as provided in subparagraph (ii) of this paragraph, a member who retires under this section of this Act shall receive an additional 2 months of
32	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service;
32 33	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months
32 33	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service;
32 33 34	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months one-half of one year, the member shall receive an additional 2 months of credit; and
32333435	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months one-half of one year, the member shall receive an additional 2 months of credit; and (iii) A member's credit for unused sick leave may not be used to
32 33 34 35 36	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months one-half of one year, the member shall receive an additional 2 months of credit; and
32 33 34 35 36	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months one-half of one year, the member shall receive an additional 2 months of credit; and (iii) A member's credit for unused sick leave may not be used to determine the member's creditable service that is used to compute the additional service
32 33 34 35 36 37 38	member who retires under this section of this Act shall receive an additional 2 months of credit for each full year of the member's creditable service; (ii) For any part of a year of creditable service that is at least 6 months one-half of one year, the member shall receive an additional 2 months of credit; and (iii) A member's credit for unused sick leave may not be used to determine the member's creditable service that is used to compute the additional service

SENATE BILL 1

5	
	section of this Act shall receive a service retirement allowance equal to one fifty-fifth of the member's average final compensation multiplied by the sum of:
3	1. The member's creditable service; and
4 5	2. The additional credit described in paragraph (4) (7) of this section of this Act;
8	(ii) If a member has less than 30 years of creditable service and is less than 60 years old, the member's retirement allowance computed under subparagraph (i) of this paragraph shall be reduced by 0.5 percent for each month by which the member's day of retirement precedes the earlier of:
10	1. The day the member would have been 60 years old; or
	2. The day the member would have completed 30 years of creditable service, not including the credit described in paragraph (4)(7) of this section of this Act; and
14 15	(iii) A member of the Employees' Retirement System who is subject to Selection C (Combination formula) shall receive a service retirement allowance:
16 17	1. For creditable service before July 1, 1984, as provided in subparagraph (i) of this paragraph; and
18 19	2. For creditable service from July 1, 1984, as provided in paragraph (6) (9) of this section of this Act;
22 23	(6) (9) (i) Except as provided in subparagraph (ii) of this paragraph, a member of the Employees' Pension System who retires under this section of this Act shall receive a service retirement allowance equal to the sum of the member'screditable service and the additional credit described in paragraph (4) (7) of this section of this Act, multiplied by:
25 26	1. 0.8 percent of the member's average final compensation that is not in excess of the social security integration level; and
27 28	2. 1.5 percent of the member's average final compensation that exceeds the social security integration level; and
	(ii) If a member has less than 30 years of creditable service and is less than 62 years old, the member's retirement allowance computed under subparagraph (i) of this paragraph shall be reduced by the lesser of:
32 33	1. 0.5 percent for each month by which the member's day of retirement precedes the day the member would have been 62 years old; or
34	2. 42 percent;
35	(7) (10) The Board of Trustees may:
36	(i) May adopt regulations to carry out this section of this Act; and

1	(ii) May not accept an application for retirement under this section of
2	this Act that is filed with the State Retirement Agency after 5:00 p.m.on August 31, 1996,
3	except as provided under paragraph (2)(i)2 of this section;
4	(11) A member who retires under this section of this Act may not receive a
	•
5	basic allowance that exceeds the member's average final compensation;
6	(8) (12) If Except as provided in paragraphs (13) and (14) of this section of
7	this Act, if the member dies prior to the effective date of retirement, an application to
	retire in accordance with the provisions of this section of this Act shall be void and of no
	•
	effect, and the benefits payable on the member's account shall be computed as if the
10	application had not been filed-:
11	(13) Notwithstanding any other provision of law, if an employeewhose
12	effective retirement date is delayed under Section 8 of this Act dies before the effective
	date of retirement, the employee's designated beneficiary shall have the option of either
	receiving the death benefit under Title 29, Subtitle 2 of the State Personnel and Pensions
	Article, including, if the designated beneficiary is eligible for an Option 2 allowance, an
16	Option 2 allowance based on a retirement allowance computed as provided under this
17	Act, or the retirement benefit based on the retirement allowance computed as provided
	under this Act that the designated beneficiary would otherwise be entitled to receive in
	accordance with the member's application for retirement; and
1)	accordance with the member's apprearion for retrement, and
20	(14) Notwithstanding any other provision of law if an application and its
20	(14) Notwithstanding any other provision of law, if an employeewho qualifies
	for retirement under paragraph (2) of this section of this Act is separated from
22	employment before becoming eligible for retirement and dies before the effective date of
23	retirement, the employee's designated beneficiary shall have the option of either
	receiving the death benefit under Title 29, Subtitle 2 of the State Personnel and Pensions
	Article, including, if the designated beneficiary is eligible for an Option 2 allowance, an
	Option 2 allowance based on a retirement allowance computed as providedunder this
	Act, of or if the employee filed an application for retirement under this Act before the
28	date of death, the retirement benefit based on the retirement allowancecomputed as
29	provided under this Act that the designated beneficiary would otherwisebe entitled to
30	receive in accordance with the member's application for retirement.
31	SECTION 3. AND BE IT FURTHER ENACTED, That:
32	(1) A retiree who retires under this Act may not become reemployed in a
	temporary or contractual position with the State, unless the reemployment is approved
	by:
J T	- oy.
35	(i) The Board of Public Works, for a position not in the Legislative or
36	Judicial Branch of State government; or
37	
38	Judicial Branch of State government; or
39	(iii) (iii) The President of the Senate and Speaker of the House of
40	Delegates, for a position in the Legislative Branch of State government;
41	(2) If a retiree who retires under this Act is reemployed in a temporary
	permanent, temporary, or contractual position with a participating employer, in addition

	SENATE BILL I
7	
2	to any other reduction in the retiree's retirement allowance required under State law, the retiree's retirement allowance shall be reduced by the amount it exceeds the retirement allowance the retiree would otherwise have received; and
	(3) If a retiree who retires under this Act is reemployed in a permanent position with a participating employer, the retiree may not have any additional service credit received under this Act restored to the retiree's credit.
	(3) No more than 2% of the total number of employees retiring under this Act may be reemployed in a contractual or temporary position in any branch of State government;
12 13	(4) The Board of Public Works may not approve the reemployment in a temporary or contractual position in the Executive Branch of State government of an employee who retires under this Act, if that reemployment would result in more than 2% of the retirees who retired under this Act being reemployed in a temporary or contractual position with the State:
17 18	(5) The President of the Senate and the Speaker of the House of Delegates may not approve the reemployment in a temporary or contractual positionin the Legislative Branch of State government of an employee who retires underthis Act, if that reemployment would result in more than 2% of the retirees who retired under this Act being reemployed in a temporary or contractual position with the State;
22	(6) The Department of Budget and Fiscal Planning shall review the applications for reemployment as contractual or temporary employees under this Act and shall advise the Board of Public Works if the reemployment of an individual will cause the 2% limit under paragraph (3) of this section of this Act to be exceeded; and
26 27	(7) The Department of Fiscal Services shall review the applications for reemployment as contractual or temporary employees under this Act and shall advise the President of the Senate and the Speaker of the House of Delegates if the reemployment of an individual will cause the 2% limit under paragraph (3) of this section of this Act to be exceeded.
29	SECTION 4. AND BE IT FURTHER ENACTED, That:
32 33 34	· · · · · · · · · · · · · · · · · · ·
36	proposed Fiscal Year 1998 State budget that is equivalent to at least 60% of the position identification numbers of the number of positions to be vacated by individuals who retire

40 (2) The positions eliminated in accordance with paragraph (1) of this
 41 section shall result in a total reduction in salaries that is equal to at least 60% of the total
 42 salaries of the positions vacated by members retiring on October 1, 1996 under this Act
 43 and in accordance with Section 8 of this Act;

38 by June 30, 1997 in accordance with the provisions of Section 8 of this Act and eliminate 39 those position identification numbers in the proposed budget for Fiscal Year 1998;

1 2	$\frac{(2)}{(3)}$ An appointing authority may not fill a position that isvacated by an individual who retires on October 1, 1996 under this Act until the earlier of:
3	(i) November 1, 1996; or
6	(ii) The date on which the appropriate official of the State, as specified in paragraph (5) (4) of this section of this Act, certifies to the appointing authority that the position identification numbers that positions have been eliminated from the appointing authority's budget as required under this Act; and
8	(3) On or before July 1, 1997, the officials of the State specified in
	paragraph (5) of this section of this Act, in consultation with the appropriate appointing
	authorities, shall eliminate from the State budget at least 60% of the position
	identification numbers of the positions that are vacated by individuals whose retirement date was determined in accordance with Section 8 of this Act;
	(4) An appointing authority may not fill a position that is vacated by an individual who retires in accordance with the provisions of Section 8 of this Act until the earlier of:
16	(i) July 1, 1997; or
17	(ii) The date on which the appropriate official of the State, as
18	specified in paragraph (5) (4) of this section of this Act, certifies to the appointing
19	authority the position identification numbers that have been eliminated from the
20	appointing authority's budget as required under this Act; and
21	(5) (4) (i) Except as provided in subparagraph (ii) of this paragraph,
	the The Secretary of Budget and Fiscal Planning shall determine and certify to the
	appropriate appointing authority which position identification numbers are to be
	eliminated for positions in the Executive Branch of State government other than those specified in subparagraph (ii) of this paragraph;
26	(ii) The president of each public senior higher education institution as
27	defined in § 10-101 of the Education Article, shall determine and certify to the
28	appropriate appointing authority which position identification numbers are to be
29	eliminated for positions in that public senior higher education institution;; and
30	(iii) (iii) The President of the Senate and the Speaker of the House of
	Delegates jointly shall determine and certify to the appropriate appointing authority
32	which position identification numbers are to be eliminated for positions in the Legislative
33	Branch of State government; and government.
34	(iv) The Chief Judge of the Court of Appeals shall determine and
35	certify to the appropriate appointing authority which position identification numbers are
36	to be eliminated for positions in the Judicial Branch of State government.
37	SECTION 5. AND BE IT FURTHER ENACTED, That:
38	(1) In this section of this Act, "net salary savings" means theamount of an
	appropriation of State funds, whether special or general funds, for a unit of State
40	government that is saved as a result of the elimination of positions under <u>Section 4 of</u> this

9	
	Act, less the amounts paid by the State for unused annual leave for individuals who retire
2	under <u>Section 4 of</u> this Act;
3	(2) On or before January 1, 1997, and for Fiscal Year 1997:
4	(i) The Secretary of Budget and Fiscal Planning shall determine the
	net salary savings under this Act for each unit of the Executive Branchof State
	government, including each public senior higher education institution, and the Governor
7	shall reduce the State appropriation for each unit of the Executive Branch, including each
	public senior higher education institution, by the amount of the net salary savings for that
9	unit; <u>and</u>
10	(ii) The Dresident of the Canata and the Charlest of the House of
10	(ii) The President of the Senate and the Speaker of the House of Delegates jointly shall determine the net salary savings under this Actfor each unit of the
	Legislative Branch of State government and shall reduce the State appropriation for each
	unit of the Legislative Branch by the amount of the net salary savings for that unit; and
10	and of the Degistance Dranen by the amount of the net saidly savings for that thin, and
14	(iii) The Chief Judge of the Court of Appeals shall determine the net
15	salary savings under this Act for each unit of the Judicial Branch of State government and
16	shall reduce the State appropriation for each unit of the Judicial Branch by the amount of
17	the net salary savings for that unit;
18	(2) A convert each amounted appropriation shall be cont to the Covernor
	(3) A copy of each amended appropriation shall be sent to the Governor, the Comptroller, the Secretary of Budget and Fiscal Planning, and the Department of
	Fiscal Services; and
21	(4) After receipt of a copy of the amended appropriation for each unit of
22	State government, the Governor shall transfer by budget amendment:
22	(i) A =
23	(i) An amount not exceeding \$10,000,000 to the General Fund of the State;
24	otato,
25	(ii) After the transfer under subparagraph (i) of this paragraph, an
26	amount not exceeding \$2,000,000 to the Economic Development Opportunities Program
	Fund under § 7-314 of the State Finance and Procurement Article;
28	(iii) After the transfer under subparagraphs (i) and (ii) of this
29	paragraph, an amount not exceeding \$3,000,000 to the General Fund of the State; and
30	(iv) Any remaining amounts by which appropriations are reduced
	under this section of this Act to the Revenue Stabilization Account under § 7-311 of the
	State Finance and Procurement Article, notwithstanding any other provision of law.
•	
33	(i) The amounts by which General Fund appropriations are reduced
34	under this Act to the General Fund of the State; and
35	(ii) The amounts by which special fund appropriations are reduced
	under this Act to the respective special fund.

37 SECTION 6. AND BE IT FURTHER ENACTED, That on or before January 1, 38 1997, in accordance with § 2-1312 of the State Government Article:

1 2	(1) The State Retirement Agency shall report to the General Assembly on the total number of State employees who retire under this Act; $\frac{1}{2}$ and $\frac{1}{2}$
3	(2) The Department of Budget and Fiscal Planning shall report to the General Assembly as to each unit of State government:
5 6	(i) The number of employees and the salaries of the employees of the unit who retire under this Act;
7 8	(ii) A list of the positions, <u>position identification numbers</u> , and the salary for the positions in the unit that are eliminated under this Act;
	(iii) A schedule that lists the total number of positions for the unit as of June 30, 1996, the total number of positions for the unit after the positions for that unit are eliminated under this Act, and the number of positions eliminated under this Act; and
12	(iv) A list of the reductions in appropriations under this Act; and
	(v) A list of the positions, position identification numbers, and the salary for the positions in the unit that are eliminated in the State budget or by budget amendment after December 31, 1995 and before July 1, 1997.
18 19 20	SECTION 7. AND BE IT FURTHER ENACTED, That, in recognition of the additional administrative burden that may result from the number of State employees who may retire under this Act, the State Retirement Agency may take an additional 60 days to process applications for retirement that are filed for retirement under this Act. Except to the extent of a delay in the receipt of a benefit, a delay inprocessing an application may not affect an applicant's right to a benefit.
24 25 26 27 28 29 30 31 32 33 34 35	SECTION 8. AND BE IT FURTHER ENACTED, That prior to July 1, 1996, the Department of Budget and Fiscal Planning shall determine the departments and units of State government that have more than 5% of their employees who are eligible for the retirement incentive provided by paragraph(1) of Section 2 of this Act. For those departments or units of State government identified by the Department of Budget and Fiscal Planning as having more than 5% of their employees eligible for the retirement incentive provided by paragraph(1) of Section 2 of this Act, the appointing authority of that department or unit of State government may require up to 50% of the employees electing to retire under this Act to delay the effective date of their retirement until no later than June 30, 1997. The appointing authority of a department or unit of State government affected by this section shall notify the Board of Trustees by September 15, 1996 of the employees whose retirement date will be delayed under this section of this Act, and shall provide the retirement date for those employees. The retirement date of any employee whose date is delayed under this section of this Act shallbe on the first day of a month.
39 40 41 42	SECTION 9. AND BE IT FURTHER ENACTED, That for those employees who have been separated from employment because their position identification numbers have been eliminated in the State budget or by budget amendment at any time after December 31, 1995 and before July 1, 1997, and who do not retire under this Act, the State shall pay the entire cost of health insurance premiums for those employees to continue the health insurance the employees received while employed by the State, for a period of 12 months following the month of termination, or until those former employees are covered by

- 1 another employer subsidized health insurance plan through another employer, whichever
- 2 comes first.
- 3 SECTION 9. 10. AND BE IT FURTHER ENACTED, That Section 1 of this Act 4 shall take effect October 1, 1996.
- 5 SECTION 10. <u>11.</u> AND BE IT FURTHER ENACTED, That Sections 2 through 8 6 of this Act shall take effect June 1, 1996.